



FINANCIAL SERVICES AUTHORITY
SAINT VINCENT & THE GRENADINES

COMPETENCY STANDARDS
FOR
INSURANCE INTERMEDIARIES

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TABLE OF CONTENTS

1. Introduction.....	3
2. Interpretation.....	3
3. Objectives.....	4
4. Scope of Competency Standards.....	4
5. Grandfathered Insurance Intermediaries.....	5
6. Demonstrating Competencies.....	6
7. Maintaining Competencies.....	6
8. Responsibility of Insurers and Insurance Brokers.....	7
9. Responsibility of Insurance Agents.....	7
10. Record Keeping.....	8
11. Compliance.....	8
Annex 1: Competency Table-Insurance Adjuster	9
Annex 2: Competency Table- Insurance Agent.....	10
Annex 3: Competency Table – Insurance Agency Staff.....	11
Annex 4: Competency Table- Insurance Broker.....	12
Annex 5: Competency Table-Broking Staff of Insurance Broker.....	13
Annex 6: Competency Table- Insurance Sales Representative.....	15
Annex 7: Types of Possible Structured CPD.....	16

1. Introduction

The Competency Standards have been established as part of the mandate of the Financial Services Authority (“FSA”/ “Authority”) to protect the customers of financial entities by ensuring that anyone selling or providing sales advice on insurance products and services has the requisite insurance knowledge and skills.

The Competency Standards formalise the minimum professional knowledge and skills which the licensee must have in order to be licensed by the Authority. It also provides guidance to the licensee on how to demonstrate and maintain the minimum technical competencies.

The Competency Standards seek to align the standards of practice in the insurance sector in St. Vincent and the Grenadines with international standards and best practices.

2. Interpretation

In these Standards:

“Broking staff” means any employee of the insurance broker or any other person who is authorised by the insurance broker to act on its behalf to provide technical advice to any client of the insurance broker in respect of:

- (a) insurance policies relating to general insurance business or long term insurance business, other than insurance policies relating to reinsurance business; or
- (b) reinsurance of liabilities under insurance policies relating to general insurance business or long term insurance business, as the case may be;

“Designated officer” means an officer of a licensee who is expected to have the minimum technical competencies prescribed under the Competency Standards.

“Grandfathered” means exempt from the requirement of demonstrating competence.

“Insurance adjuster” means any person who, as an independent insurance professional, for compensation, a fee, a commission or a salary investigates and negotiates settlement of claims under insurance contracts solely on behalf of either the insurer or the insured but does not include:

- (a) a salaried employee of an insurer or an insurance agent while acting on behalf of that insurer or insurance agent in the adjustment of losses; or
- (b) an insurance agent who is authorised to settle claims on behalf of that insurer.

“Insurance agent” means an individual, firm, partnership or body corporate appointed by an insurer to solicit applications for insurance or negotiate insurance on its behalf and if authorised to do so by the insurer, to effectuate and countersign insurance contracts but does not include an individual who is an employee of the insurer.

“Insurance broker” means any independent insurance professional individual or a firm or body corporate who for compensation as an independent contractor, negotiates, provides, or obtains insurance or the renewal or continuance of insurance on behalf of existing or prospective policyholders.

“Insurance intermediation” means the activity of soliciting, negotiating or selling insurance contracts through any medium. Where:

- “Solicit” means attempting to sell insurance or asking or urging a person to apply for a particular kind of insurance from a particular company for compensation.
- “Negotiate” means the act of conferring directly with, or offering advice directly to, a purchaser or prospective purchaser of a particular contract of insurance concerning any of the substantive benefits, terms or conditions of the contract, provided that the person engaged in that act either sells insurance or obtains insurance from insurers for purchasers.
- “Sell” means to exchange a contract of insurance by any means, for money or its equivalent, on behalf of an insurance company.

“Licensee” means an Insurance Adjuster, Insurance Agent, Insurance Broker or Sales Representative.

“Management and Control function” means a role that requires an employee or officer to be directly answerable to the board of the licensee or in respect of which the Authority is satisfied that the function plays a significant role in the management and decision making of the regulated entity at a senior level.

“Sales representative” means an individual who is contracted by an insurer or an insurance agent to solicit applications for insurance or negotiate insurance on behalf of an insurer or an insurance agent.

3. Objectives

The objective of introducing competency requirements is to raise the standard of service provided to customers through the training of employees of insurance companies who carry out duties as intermediaries and intermediaries to the required level of competence.

3.1 The specific objectives of the Competency Standards are:

- To ensure fair treatment of consumers of insurance products and services;
- To ensure sound conduct of business in the insurance sector;
- To instill confidence in the insurance sector and encourage better consumer participation; and
- To establish standards in order to preserve and maintain the good reputation of the sector and St. Vincent and the Grenadines.

4. Scope of Competency Standards

4.1 The Competency Standards apply to the following licensees:

- (i) insurance adjusters;
- (ii) insurance agents;
- (iii) insurance brokers;
- (iv) insurance sales representatives; and
- (v) any of their officers and/or employees involved in:

- The provision of advice;
- The provision of intermediaries services;
- The management and control function.

4.2 Individuals or firms which simply refer (or “introduce”) potential customers to an insurer or insurance intermediary, without carrying out intermediation, are excluded from the scope of these standards. Also excluded from the scope of these standards are persons, such as tax advisers or accountants, who in conducting another professional activity provide:

- advice on insurance cover on an incidental basis in the course of that other activity, or
- information of a general nature on insurance products (without advising on the choice of insurance product provider) provided that the purpose of that activity is not to intermediate an insurance contract.

4.3 The Competency Standards are defined in terms of :

- the minimum technical competencies to demonstrate competence;
- the minimum qualifications, training and experience requirements to demonstrate competence;
- the minimum Continuous Professional Development (“CPD”) requirements to maintain competence.

4.4 In considering whether a person is fit and proper, the Financial Services Authority may *inter alia*, have regard to the following criteria:

- (i) competence and capability;
- (ii) honesty, integrity and reputation; and
- (iii) financial position.

4.5 Competence and capability being key elements of the fit and proper requirements are assessed with regard to the person’s education, training or qualifications together with relevant experience. Honesty, integrity and reputation relate to a person’s character and reliability. Financial position (soundness) establishes a person’s financial integrity. Also, consideration will be given to whether the person devotes or will devote sufficient time and attention to fulfilling or is likely to fulfil his/her duties and responsibilities in a diligent manner.

5. Grandfathered Insurance Intermediaries

In recognition of the competence of existing insurance intermediaries and to ensure that the service provided to customers is not disrupted, the following persons are grandfathered from the requirement of demonstrating competence:

- (i) all existing insurance adjusters;

- (ii) all existing insurance agents;
- (iii) all existing insurance brokers and broking staff; and
- (iv) all existing insurance sales representatives.

However, on application for renewal, the intermediary will be required to provide evidence of CPD. In addition, the intermediary will be required to submit professional references to the FSA every three (3) years.

6. Demonstrating Competencies

- 6.1 The Competency Tables in Annexes 1-5 set out the minimum technical competencies which the specific licensees are required to have and provide an indication as to how the minimum technical competencies can be demonstrated. Technical competencies refer to the technical knowledge and skills required to perform a specific role.
- 6.2 The competencies have been classified into 3 levels, namely Basic, Intermediate and Advanced as set out in Table 1 below. At career entry level, a person with no experience or a person with up to 2 years relevant industry experience is expected to have basic knowledge of the applicable concepts. As the person advances in the industry, the person’s knowledge of concepts is expected to increase from basic to intermediate and eventually to advanced level.

Table 1: Competency Levels

Levels of Competency	Depth of Knowledge
Basic	Familiarity with basic concepts
Intermediate	Thoroughly understands fundamental concepts and their application in the field of knowledge
Advanced	Thoroughly understands advanced concepts and their application in the field of knowledge

- 6.3 The Competency Tables outline the minimum qualifications and relevant work experience required for the licensees.
- 6.4 In the event that an individual does not hold the minimum qualification or other comparable qualification, the Authority may consider, on a case by case basis, whether the person has sufficient relevant experience to demonstrate the required competency level.
- 6.5 Where it is expressly stated in the Competency Tables that “relevant training” can be used to demonstrate competence, the training should cover the appropriate competencies as required to carry out the role.

7. Maintaining Competencies

- 7.1 Licensees are expected to maintain their minimum technical competencies once licensed through on-going training.

- 7.2 CPD or on-going training shall be relevant to the role of the licensee and the insurance industry. It should take into account new developments in the insurance industry such as new products and change in regulatory requirements.
- 7.3 CPD can be either **structured** or **unstructured**. Structured CPD is any activity which involves a formal and structured learning process, e.g. attendance as a participant or lecturer at short courses, conferences and seminars which is designed to achieve a specific learning outcome and is capable of being independently verified. Unstructured CPD can be defined as any form of informal learning or development of day to day working skills achieved through self-study and/or informal training. Unstructured CPD can be measurable but is not verifiable.
- 7.4 The Competency Standards focus on **structured** CPD and the prescribed minimum hours of structured CPD per year for each licensee are set out in the Competency Tables.
- 7.5 Annex 6 lists the common types of structured CPD. The list is not intended to be an exhaustive list of acceptable structured CPD. Any other form of structured CPD activity shall demonstrate how the training relates to the role. Attendance to any structured CPD activity shall also be supported by relevant evidence.
- 7.6 The Authority may review the CPD records during on-site inspection visits.

8. Responsibility of Insurers and Brokers

- 8.1 Insurers and Brokers must assess and ensure that all their Agents, Sales Representatives and Front-office staff is competent before they are allowed to carry out their roles and responsibilities relevant to their positions. Accordingly, all licensees must be given specialized training in knowledge and skills where they do not meet the competency required for their position. The Authority is only providing a guideline on the minimum qualifications required for a licensee. It is not the intention of the Authority to design courses or examinations.
- 8.2 Broking Staff is not licensed/registered/authorised/approved by the Authority. An Insurance Broker shall ensure that their broking staff has the minimum technical competencies to carry out their tasks and that on-going training is provided to them so that they can maintain their competencies.
- 8.3 The licensed Insurance Broker may be required to provide upon request evidence that the Broking Staff has met the minimum technical competencies and are maintaining such competencies in terms of their CPD requirements.

9. Responsibility of Agents

- 9.1 Insurance Agents must assess and ensure that all their officers involved in insurance intermediation have the minimum technical competencies to carry out their tasks and that on-going training is provided to them so that they can maintain their competencies.
- 9.2 The licensed Insurance Agent may be required to provide upon request evidence that the Agency Staff has met the minimum technical competencies and are maintaining such competencies in terms of their CPD requirements.

10. Record Keeping

- 10.1 The licensees must keep appropriate records to demonstrate that they and their staff have maintained the minimum competency level for a period of at least 7 years. These records must be made available to the Authority upon request.
- 10.2 The records must include the following:
 - (a) copies of the certificates of qualifications for each licensee or designated officer;
 - (b) copies of appropriate training records for each licensee; and
 - (c) copies of CPD records for each licensee.
- 10.3 If a licensee relies on experience to demonstrate competence, he/she may find it useful to maintain detailed records in support of this.

11. Compliance

- 11.1 Unless exempted, all licensees or designated officers involved in sales and/or providing insurance advice are required to maintain the minimum qualification.
- 11.2 Licensees must lodge evidence of the courses/seminars attended/completed with the FSA and meet their CPD requirement as a condition for renewal of their certificate of registration. Certificates of registration will only be renewed if the licensee satisfies the minimum requirements.
- 11.3 Non-compliance with the Competency Standards may result in regulatory action being taken against the licensee.

ANNEX 1: Competency Table- Insurance Adjuster

Fit and Proper Requirements			
<p>In considering whether a person is ‘fit and proper’ the FSA may inter alia, have regard to the following criteria:</p> <ul style="list-style-type: none"> (a) competence and capability; (b) honesty, integrity and reputation; and (c) financial position 			
Role: Insurance Adjuster			
Applicable to: New Insurance Adjuster licensed by the FSA as of			
Technical Competencies	How to demonstrate competencies	Structured CPD per year	Other requirements
<p>The Insurance Adjuster is expected to have:</p> <ul style="list-style-type: none"> • Basic knowledge of: <ul style="list-style-type: none"> - Insurance loss adjusting; - The industry and regulatory framework in St. Vincent and the Grenadines; - The contractual terms in a policy contract signed between the policyholder and the insurer; - Claims procedures; • Good analytical skills. • Good mathematical skills. • Effective written and verbal communication skills. 	<p>Minimum qualifications of O-level pass in Mathematics and English.</p> <p>The competencies can be demonstrated by undergoing relevant training or holding relevant qualification in insurance adjusting from a recognized institution.</p>	<p>Minimum of: Technical hours- 15 Professional hours -2</p>	<p>Upon application for registration, a Statement of Declaration from the Insurance Adjuster attesting the following:</p> <ol style="list-style-type: none"> 1. Two Professional References have been submitted by the Insurance Adjuster; 2. Police confirmation of no criminal record or no charges brought against the individual.

ANNEX 2: Competency Table- Insurance Agent

Fit and Proper Requirements			
<p>In considering whether a person is ‘fit and proper’ the FSA may inter alia, have regard to the following criteria:</p> <ul style="list-style-type: none"> (a) competence and capability; (b) honesty, integrity and reputation; and (c) financial position 			
Role: Insurance Agent			
Applicable to: New Insurance Agent licensed by the FSA as of			
Technical Competencies	How to demonstrate competencies	Structured CPD per year	Other requirements
<p>The Insurance Agent or at least one designated officer of the Insurance Agent is expected to have:</p> <ul style="list-style-type: none"> • Adequate knowledge of: <ul style="list-style-type: none"> - Insurance principles and practices; - Classes of insurance and insurance products; - The industry and regulatory framework in St. Vincent and the Grenadines; - The contractual terms in a policy contract signed between the policyholder and the insurer; - Claims procedures; - The underwriting process • Understanding client’s needs and providing advice on insurance products. • Good language skills. • Good numeracy skills. 	<p>Minimum qualifications of O-level pass in Mathematics and English.</p> <p>The competencies can be demonstrated by undergoing relevant training or holding relevant qualification in insurance from a recognized institution.</p> <p>The Insurance Agent or the designated officer(s) of the Insurance Agent shall also hold relevant experience of at least 6 months in insurance business.</p>	<p>Minimum of: Technical hours- 15 Professional hours -2</p>	<p>Upon application for registration, a Statement of Declaration from the Insurer attesting the following:</p> <ol style="list-style-type: none"> 1. Relevant training has been provided to the Insurance Agent or the designated officer(s) of the Insurance Agent 2. Two Professional References have been submitted by the Insurance Agent or the designated officer(s) of the Insurance Agent; 3. Police confirmation of no criminal record or no charges brought against the individual.

ANNEX 3: Competency Table- Agency Staff

Fit and Proper Requirements			
<p>In considering whether a person is 'fit and proper' the FSA may inter alia, have regard to the following criteria:</p> <ul style="list-style-type: none"> (a) competence and capability; (b) honesty, integrity and reputation; and (c) financial position 			
Role: Insurance Agency Staff			
Applicable to: New Insurance Agency staff appointed by an Insurance Agent as of			
Technical Competencies	How to demonstrate competencies	Structured CPD per year	Other requirements
<p>The Agency Staff is expected to have:</p> <ul style="list-style-type: none"> • Basic knowledge of: <ul style="list-style-type: none"> - Insurance principles and practices; - Classes of insurance and insurance products; - The industry and regulatory framework in St. Vincent and the Grenadines; - The contractual terms in a policy contract signed between the policyholder and the insurer; - Claims procedures; - The underwriting process • Understanding clients' needs and providing advice on insurance products available. • Good language skills. • Good numeracy skills. 	<p>Minimum qualifications of O-level pass in Mathematics and English.</p> <p>The competencies can be demonstrated by undergoing relevant training or holding relevant qualification in insurance from a recognized institution.</p> <p>Prior working experience of at least 6 months in the field of insurance would also be considered in assessing competence.</p>	<p>Minimum of: Technical hours- 15 Professional hours -2</p>	<p>Upon appointment of the Agency Staff, a Statement of Declaration from the Insurance Agent attesting the following:</p> <ol style="list-style-type: none"> 1. the Agency Staff meets the minimum competencies and is deemed competent; 2. Two Professional References have been submitted by the designated officer(s); 3. Police confirmation of no criminal record or no charges brought against the individual.

ANNEX 4: Competency Table- Insurance Broker

<p>Fit and Proper Requirements</p> <p>In considering whether a person is ‘fit and proper’ the FSA may inter alia, have regard to the following criteria:</p> <ul style="list-style-type: none"> (a) competence and capability; (b) honesty, integrity and reputation; and (c) financial position 			
<p>Role: Insurance Broker</p>			
<p>Applicable to: New Insurance Broker licensed by the FSA as of</p>			
<p>Technical Competencies</p>	<p>How to demonstrate competencies</p>	<p>Structured CPD per year</p>	<p>Other requirements</p>
<p>At least one designated officer is expected to have:</p> <ul style="list-style-type: none"> • Advanced knowledge of: <ul style="list-style-type: none"> - Insurance principles and practices; - Classes of insurance and insurance products; - Risk management and practices; - The industry and regulatory framework in St. Vincent and the Grenadines; - The contractual terms in a policy contract signed between the policyholder and the insurer; - Claims procedures; - The underwriting process • Understanding the duties and role of the insurance broker. • Understanding clients’ needs and providing 	<p>Minimum of 3 years full time equivalent professional or academic qualification in insurance from a recognized institution.</p> <p>The designated officer(s) shall also hold relevant experience of at least 3 years in a managerial position in insurance business.</p>	<p>Minimum of: Technical hours - 15 Professional hours -2</p>	<p>Upon application for registration, a Statement of Declaration from the Broker attesting the following:</p> <ol style="list-style-type: none"> 1. the designated officer(s) meets the minimum competencies and is deemed competent; 2. Two Professional References have been submitted by the designated officer(s); 3. Police confirmation of no criminal record or no charges brought against the individual.

advice on insurance products available.			
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ANNEX 5: Competency Table- Broking Staff of Insurance Broker

Fit and Proper Requirements			
In considering whether a person is ‘fit and proper’ the FSA may inter alia, have regard to the following criteria:			
<ul style="list-style-type: none"> (d) competence and capability; (e) honesty, integrity and reputation; and (f) financial position 			
Role: Insurance Broking Staff			
Applicable to: New Insurance Broking staff licensed by the FSA as of			
Technical Competencies	How to demonstrate competencies	Structured CPD per year	Other requirements
<p>The Broking Staff is expected to have:</p> <ul style="list-style-type: none"> • Basic knowledge of: <ul style="list-style-type: none"> - Insurance principles and practices; - Classes of insurance and insurance products; - Risk management and practices; - The industry and regulatory framework in St. Vincent and the Grenadines; - The contractual terms in a policy contract signed between the policyholder and the insurer; - Claims procedures; - The underwriting process • Understanding the duties and role of the insurance broker. • Understanding clients’ needs and providing 	<p>Minimum qualifications of O-level pass in Mathematics and English.</p> <p>The competencies can be demonstrated by undergoing relevant training or holding relevant qualification in insurance from a recognized institution.</p> <p>Prior working experience of at least 2 years in the field of insurance would also be considered in assessing competence.</p>	<p>Minimum of: Technical hours- 15 Professional hours- 2</p>	<p>Upon appointment of the Broking Staff, a Statement of Declaration from the Insurance Broker attesting the following:</p> <ol style="list-style-type: none"> 1. the Broking Staff meets the minimum competencies and is deemed competent; 2. Two Professional References have been submitted by the designated officer(s); 3. Police confirmation of no criminal record or no charges brought against the individual.

appropriate advice on insurance products available. <ul style="list-style-type: none">• Good language skills.• Good numeracy skills.			
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ANNEX 6: Competency Table- Insurance Sales Representatives

<p>Fit and Proper Requirements</p> <p>In considering whether a person is ‘fit and proper’ the FSA may inter alia, have regard to the following criteria:</p> <ul style="list-style-type: none"> (a) competence and capability; (b) honesty, integrity and reputation; and (c) financial position 			
<p>Role: Insurance Sales Representative</p>			
<p>Applicable to: New Insurance Sales Representatives registered by the FSA as of</p>			
<p>Technical Competencies</p>	<p>How to demonstrate competencies</p>	<p>Structured CPD per year</p>	<p>Other requirements</p>
<p>The Insurance Sale Representative is expected to have:</p> <ul style="list-style-type: none"> • Adequate knowledge of: <ul style="list-style-type: none"> - Insurance principles and practices; - Classes of insurance and insurance products; - The industry and regulatory framework in St. Vincent and the Grenadines; - The contractual terms in a policy contract signed between the policyholder and the insurer; - Claims procedures. • Ability to explain basic features of insurance products to policyholders. • Good language skills. • Good numeracy skills. 	<p>Minimum qualifications of O-level pass in Mathematics and English.</p> <p>The competencies can be demonstrated by undergoing relevant training.</p>	<p>Minimum of: Technical hours- 15 Professional hours -2</p>	<p>Upon application for registration, a Statement of Declaration from the Insurer attesting the following:</p> <ol style="list-style-type: none"> 1. Relevant training has been provided to the Insurance Sales Representative; 2. Two Professional References have been submitted by the Insurance Sales Representative; 3. Police confirmation of no criminal record or no charges brought against the individual.

ANNEX 7: Types of Possible Structured CPD

CPD activity relevant to the role	Types of evidence to keep as proof of completion
Training courses and workshops	<ul style="list-style-type: none"> • Attendance certificate or written/email confirmation of attendance from the trainer • Course/workshop outline or agenda which clearly shows what was covered during the session and learning objectives • Any presentation slides
Conferences, seminars and webinars	<ul style="list-style-type: none"> • Attendance certificate or written/email confirmation of attendance from the trainer • Event agenda which clearly shows what was covered during the session(s) and learning objectives (if applicable)
Studying for an examination	<ul style="list-style-type: none"> • Copy of qualification certificate or exam entry confirmation • Copy of exam syllabus
E-learning	<ul style="list-style-type: none"> • Confirmation of the e-learning completed (these can be screen printouts)
Technical Authorship	<ul style="list-style-type: none"> • Copies of the items written and details of the publications they appeared in or who they were distributed to.
Serving on industry workgroups or committees	<ul style="list-style-type: none"> • Confirmation from the governing body.
Tutoring-teaching, speaking or moderating at insurance related activity either in house or externally.	<ul style="list-style-type: none"> • Presentation outline or agenda which clearly shows what was taught during the session and date(s) conducted.

Note:

1. Insurance companies shall maintain a log of CPD records on behalf of Insurance Sales Representatives and Insurance Agents.